

**RESOLUTION OF THE BOARD OF DIRECTORS OF
PEDDLER'S VIEW HOMEOWNERS ASSOCIATION
ESTABLISHING A CAPITAL IMPROVEMENT FEE**

BACKGROUND

A. Peddler's View Homeowners Association ("Peddler's View") is an Association formed pursuant to Declaration of Covenants, Restrictions, Easements, Charges and Liens to administer, maintain, repair and replace certain common areas in a development situated in Solebury Township, Bucks County, Pennsylvania, known as "Peddler's View". Declaration of Covenants, Restrictions, Easements, Charges and Liens is recorded in the Office of the Recorder of Deeds of Bucks County in Deed Book 928 at page 921 et seq.

B. Peddler's View is a planned community as defined at Section 5103 of the Pennsylvania Uniform Planned Community Act, Act 180 of 1996 (68 Purdons, Section 5103) (the "Act").

C. Article IV, Section 3 of the By-Laws of the Association authorizes the Board of Directors to exercise all powers, duties necessary for the administration of the affairs of the Association.

D. Section 5302(A)(12) of the Act authorizes community associations to impose a capital improvement fee on the resale or transfer of units in a community association.

E. Section 5302(A)(12) of the Act is retroactive to Community Associations which, like Peddler's View, existed at the time of the adoption of the Act.

F. The Board of Directors of Peddler's View Homeowners Association by vote of all of the members of the Board of Directors, has determined that it is in the interest of the Association to impose a capital improvement fee on the resale or transfer of units in Peddler's View Homeowners Association in order to fund capital reserves and for such other capital improvements which, from time to time, may be required.

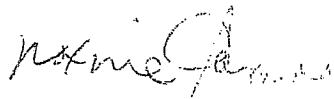
NOW THEREFORE, IT IS HEREBY RESOLVED by the Board of Directors of the Peddler's View Homeowners Association as follows:

1. A Capital Improvement Fee of Three Hundred Fifty Dollars (\$350.00) is hereby imposed on the resale or transfer of a unit in the Peddler's View Homeowners Association (the "Capital Improvement Fee").
2. Notice of the amount of the Capital Improvement Fee shall be given in the "5407 Certificate" required by Section 5407 of the Act and shall be collected at the time of settlement or other transfer of a unit.

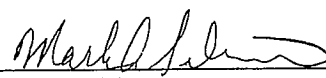
3. In the event the Association does not receive notice of a sale or other transfer and the Capital Improvement Fee is not collected at the time of such transfer, the Capital Improvement Fee shall be a lien on the unit for which the Capital Improvement Fee is levied which shall be enforced in the same manner as liens for assessments.
4. The collection of the Capital Improvement Fee shall be made in the same manner as the collection of common expense assessments and is subject to the same provisions of the Declaration, By-Laws and Rules and Regulations of the Peddler's View Homeowners Association as apply to the collection of common expense assessments.
5. Capital Improvement Fees shall be maintained in a separate capital account and shall be expended only for new capital improvements or replacing of existing common elements and shall not be expended for operation, maintenance or other purposes.
6. The Capital Improvement Fee is imposed on the transfer or sale of all units in Peddler's View Homeowners Association except that no Capital Improvement Fee shall be imposed on any gratuitous transfer of a unit between any of the following family members: spouses, parent and child, siblings, grandparent and grandchild.
7. Notice of the adoption of this Resolution establishing a Capital Improvement Fee and the amount thereof shall be given to unit owners in the Peddler's View Homeowners Association upon adoption of this Resolution.

RESOLVED AND ADOPTED BY UNANIMOUS VOTE OF THE BOARD OF DIRECTORS OF PEDDLER'S VIEW HOMEOWNERS ASSOCIATION THIS Second DAY OF April, 2003.

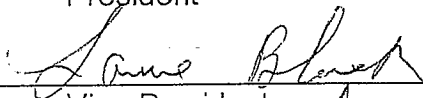
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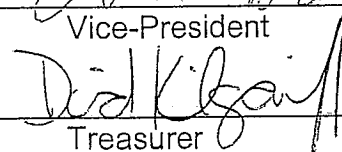
 Secretary



 President



 Vice-President



 Treasurer

 Board Member